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Tarrant County Texas

Official Public Records

6/14/2010 10:06 AM

D210141052

AMENDMENT OF OIL, GAS AND MINERAL LEASE
AND RENEWAL OF LEASE TERMS

WHEREAS, Franciscan of Arlington a/k/a Franciscan/Woodstream, LLC a/k/a Franciscan/Cantumar, LLC, et al, hereinafter referred to as "Lessor" (whether one or more), heretofore executed an Oil, Gas and Mineral Lease, dated July 2, 2007, recorded in Document # D207381872 of the Tarrant County Deed Records, hereinafter referred to as "the Lease", whereby Lessor leased certain lands described therein to David H. Arrington Oil & Gas, Inc. (assigned to XTO Energy Inc.) hereinafter referred to as "Lessee".

WHEREAS, the Terms of the Lease reads as follows:

2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of Three (3) years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

6. Omit and replace.

NOW THEREFORE, in consideration of Ten Dollars (\$10.00), and other good and valuable consideration in hand paid by the Lessee or its assigns, the receipt and sufficiency of which are hereby acknowledged, the undersigned do hereby amend the Terms of the Oil, Gas and Mineral Lease referenced above to read as follows:

2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of Four (4) years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

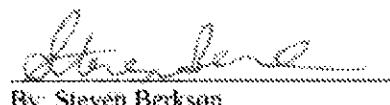
6. Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons, so as to establish units containing not more than 80 surface acres, plus 10% acreage tolerance; provided, however, units may be established as to any one or more horizons, or existing units may be enlarged as to any one or more horizons, so as to contain not more than 640 surface acres plus 10% acreage tolerance, if limited to one or more of the following: (1) gas, other than casinghead gas, (2) liquid hydrocarbons (condensate) which are not liquids in the subsurface reservoir, (3) minerals produced from wells classified as gas wells by the conservation agency having jurisdiction. If larger units than any of those herein permitted, either at the time established, or after enlargement, are permitted or required under any governmental rule or order, for the drilling or operation of a well at a regular location, or for obtaining maximum allowable from any well to be drilled, drilling, or already drilled, any such unit may be established or enlarged to conform to the size permitted or required by such governmental order or rule. Lessee shall exercise said option as to each desired unit by executing an instrument identifying such unit and filing it for record in the public office in which this lease is recorded. Such unit shall become effective as of the date provided for in said instrument or instruments but if said instrument or instruments make no such provision, then such unit shall become effective on the date such instrument or instruments are so filed of record. Each of said options may be exercised by Lessee at any time and from time to time while this lease is in force, and whether before or after operations or production has been established either on said land, or on the portion of said land included in the unit, or on other land unitized therewith. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within the unit which are not effectively pooled or unitized. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, operations conducted upon said land under this lease. There shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that proportion of the total production of unitized minerals from the unit, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each such separate tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated in the same manner as though produced therefrom under the terms of this lease. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of any unit hereunder which includes land not covered by this lease shall not have the effect of exchanging or transferring any interest under this lease (including, without limitation, any shut-in royalty which may become payable under this lease) between parties owning interests in land covered by this lease and parties owning interests in land not covered by this lease. Neither shall it impair the right of Lessee to release as provided in paragraph 5 hereof, except that Lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. At any time while this lease is in force Lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time there is no unitized minerals being produced from such unit. Any unit formed may be amended, re-formed, reduced or enlarged by Lessee at its election at any time and from time to time after the original forming thereof by filing an appropriate instrument of record in the public office in which the pooled acreage is located. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force so long as any lease subject thereto shall remain in force. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

AND, for the same consideration recited above, I, or we, the undersigned, jointly and severally, do hereby, adopt, ratify and confirm the Lease, and all of its provisions, and the above referenced Oil and Gas Lease, except as herein amended, and do hereby grant, lease, and let, to the Lessee therein or its successors and assigns, any and all interest which I, or we, now have, or may hereafter acquire, either by conveyance, devise, inheritance, or operation of law, and whether, vested, expectant, contingent or future, in and to the lands described therein, in accordance with each and all of the provisions contained in the Lease and as amended hereby, and the undersigned hereby declare that the Lease and all of its provisions are binding on the undersigned and is a valid and subsisting Oil, Gas and Mineral Lease and this agreement shall extend to and be binding upon the heirs, executors, administrators, successors, and assigns of each of the undersigned.

This instrument is dated and executed this July day of 2010, 2010 and effective July 2, 2007.

LESSOR:

Franciscan of Arlington a/k/a
Franciscan/Woodstream, LLC a/k/a
Franciscan/Cantamar, LLC, et al


By: Steven Berkson

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 2010, by Steven Berkson
of , Franciscan of Arlington a/k/a Franciscan/Woodstream, LLC a/k/a Franciscan/Cantamar, LLC, et al.

Notary Signature: _____
Printed Name: _____
Notary Public, State of _____
My Commission Expires: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Los Angeles

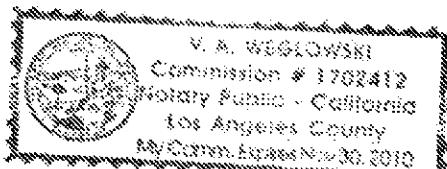
On 6-10-10 before me, V.A. Weglowski, Notary Public

Date

Here insert Name and Title of the Signer

personally appeared Steven M. Berkson

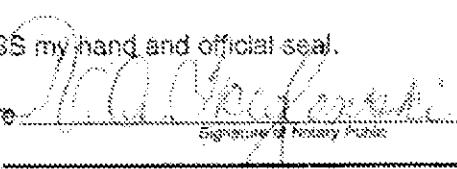
Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature 

Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Amendment of Oil, Gas and Mineral Lease and Ratification of Lease Terms

Document Date: N/A Number of Pages: 2

Signer(s) Other Than Named Above: N/A

Capacity(ies) Claimed by Signer(s)

Signer's Name: Steven M. Berkson

Individual

Corporate Officer — Title(s):

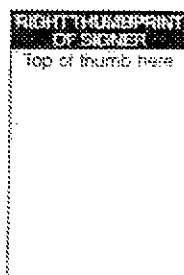
Partner — Limited General

Attorney in Fact

Trustee

Guardian or Conservator

Other: _____



Signer's Name: _____

Individual

Corporate Officer — Title(s):

Partner — Limited General

Attorney in Fact

Trustee

Guardian or Conservator

Other: _____



Signer Is Representing: _____

Signer Is Representing: _____